

October 12, 2010

Christopher J. Morse
Senior Campaign Finance Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: Requests for Additional Information for Amended July and August Monthly Report NEA Fund for Children & Public Education, ID# C00003251

Dear Mr. Morse:

In letters dated September 10, 2010, and September 29, 2010, you requested additional information to clarify why The NEA Fund for Children and Public Education ("FCPE") filed an amended July monthly reports on August 19, 2010, and an amended August monthly report on September 20, 2010. This letter will respond to both of those requests.

First, the letter dated September 10 asks why FCPE's amended July monthly report discloses additional receipts totaling \$40,576.57 that were not disclosed on the original report. FCPE's amended report noted only it was being filed "in order to disclose corrections to the receipts received from individuals during the reporting period."

The additional receipts of \$40,576.57 disclosed in the amended report consist of contributions that were received by FCPE before the end of the reporting period, but for which the data identifying both the contributor and the amount of the contribution were not processed in time for the filing of the report.

As a general matter, FCPE receives numerous contribution checks throughout the year from NEA's state-level affiliates. These affiliates act as collecting agents for FCPE. The checks forwarded by the affiliates aggregate FCPE contributions made through employer payroll deductions. Upon receipt, FCPE holds these contributions in a clearing account until they can be itemized in a manner that comports with the FEC's reporting requirements. FCPE itemizes the contributions by matching them with spreadsheet data forwarded by the state affiliate. This data must be reviewed, inputted, and processed by NEA staff before the funds can be itemized for its FEC reports.

The additional \$40,576.57 disclosed in the amended July monthly report was received by FCPE between June 28 and 30, 2010. The NEA staff that processes such contributions was deployed to New Orleans on June 27 to process contributions received at NEA's annual representative assembly ("RA"). As you may know from reviewing FCPE's reports in the past, the contributions made at the RA are voluminous this year's amended report for the period covering the RA is over 1,500 pages and they require a great deal of staff time and effort to process.

NEA staff returned to headquarters from the RA on Monday, July 12, 2010. Due to the large amount of work resulting from processing contributions received at the RA during the June reporting period, NEA staff was unable to review, process, and input the data needed to itemize the \$40,576.57 in contributions received from state affiliates in time for the July reporting deadline. However, the responsible NEA staff were able to process the data in time for an amended July monthly report to be filed prior to the filing of FCPE's August monthly report.

We apologize for the inaccuracy of the receipts figure reflected on the FCPE's initial July monthly report. We also emphasize that the delay in reporting these receipts resulted from a good faith effort by FCPE to ensure that its receipts were reported accurately and that the contributions in question fully complied with the requirements of the Federal Election Campaign Act. In preparation for next year's RA, FCPE will take additional taken steps to ensure that

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the data entry problems that occurred this year will not occur again.

Second, in the letter dated September 29, you requested additional information to clarify why FCPE filed an amended August Monthly report, asking why that report discloses additional disbursements totaling \$16,546.89 included on Line 21(b) that were not disclosed on the original report. As FCPE noted in the amended report:

The FCPE's original monthly report was 1478 pages long. Its extreme length was attributable to its disclosure of many thousands of contributions that the FCPE received at the annual convention of its connected organization, the National Education Association ("NEA"), that was held from June 26 through July 6, 2010. The great majority of those contributions were processed in-house for recordkeeping and reporting purposes; however, some of the contributions i.e., 275 in-kind contributions were assigned to an outside vendor for processing. Due to the demands of processing such a large number of contributions in-house, NEA Staff did not submit the records for those in-kind contributions to the vendor in time for them to be processed for the August report was due. Consequently, the FCPE had to file the amended report in question to disclose those in-kind contributions.

According to FEC reporting guidelines, each in-kind receipt disclosed on Line 11(a) has to be accompanied by an in-kind disbursement disclosed on Line 21(b) because there is no monetary gain from the transaction. The addition \$16,546.89 in disbursements added to Line 21(b) balanced out the additional in-kind receipts disclosed on Line 11(a).

If you have any additional questions or concerns, please feel free to contact me at (202) 822-7041.

Sincerely,
Jason Walta
Legal Counsel for The NEA Fund for
Children and Public Education

cc: John Wilson, Treasurer, NEA Fund for Children and Public Education
